

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:) Chapter 11
)
W. R. GRACE & CO., et al., ¹) Case No. 01-01139 (JKF)
) (Jointly Administered)
)
Debtors.) Objection Deadline: April 17, 2008, at 4:00 p.m. (prevailing eastern time)

**SUMMARY APPLICATION OF KIRKLAND & ELLIS LLP FOR COMPENSATION
FOR SERVICES AND REIMBURSEMENT OF EXPENSES AS BANKRUPTCY
COUNSEL TO W. R. GRACE & CO., ET AL., FOR THE MONTHLY INTERIM
PERIOD FROM FEBRUARY 1, 2008, THROUGH FEBRUARY 29, 2008**

Name of Applicant:	<u>Kirkland & Ellis LLP ("K&E")</u>
Authorized to Provide Professional Services to:	<u>W. R. Grace & Co., et al., Debtors and Debtors-in-Possession</u>
Date of Retention:	<u>Retention Order entered May 3, 2001, effective as of April 2, 2001</u>
Period for which compensation and reimbursement is sought:	<u>February 1, 2008, through February 29, 2008</u>
Amount of Compensation sought as actual, reasonable and necessary:	<u>\$1,556,573.00</u>
Amount of Expense Reimbursement sought as actual, reasonable and necessary:	<u>\$1,323,655.09</u>
This is a <u>X</u> monthly ___ interim ___ final application.	

¹ The Debtors consist of the following 62 entities: W. R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W. R. Grace & Co.-Conn., A-1 Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food 'N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W. R. Grace Capital Corporation, W. R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc., E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, H-G Coal Company.

The total time expended for the preparation of this application is approximately **35 hours**, and the corresponding estimated compensation *that will be requested in a future application* is approximately **\$10,000.00**.

This is K&E's monthly application for interim compensation of services for the interim fee period February 1, 2008 through February 29, 2008. The following applications have been filed previously in the Chapter 11 Cases:

Date Filed	Period Covered	Requested Fees	Requested Expenses	Approved Fees	Approved Expenses
May 29, 2001	4/2 – 4/30/01	\$626,079.00	\$32,439.84	Interim approval ²	Interim approval
June 29, 2001	5/1 – 5/31/01	\$567,151.00	\$77,487.86	Interim approval	Interim approval
July 31, 2001	6/1 – 6/30/01	\$560,569.50	\$45,466.13	Interim approval	Interim approval
July 31, 2001	April – June, 2001	\$1,753,799.50	\$155,393.83	\$1,753,799.50	\$155,393.83
August 28, 2001	7/1 – 7/31/01	\$476,582.50	\$25,312.13	Interim approval ²	Interim approval
September 28, 2001	8/1 – 8/31/01	\$472,334.50	\$29,022.59	Interim approval	Interim approval
October 30, 2001	9/1 – 9/30/01	\$443,617.50	\$27,147.47	Interim approval	Interim approval
November 7, 2001	July – September, 2001	\$1,392,534.50	\$81,482.19	\$1,392,534.50	\$81,482.19
December 11, 2001	10/1 – 10/31/01	\$493,074.00	\$27,724.54	Interim approval ²	Interim approval
December 29, 2001	11/1 – 11/30/01	\$524,980.00	\$29,678.21	Interim approval	Interim approval
January 31, 2002	12/1 – 12/31/01	\$405,278.50	\$27,276.95	Interim approval	Interim approval
February 7, 2002	October – December, 2001	\$1,423,332.50	\$84,679.70	\$1,419,127.00	\$84,679.70
March 4, 2002	1/1 – 1/31/02	\$439,056.00	\$32,279.54	Interim approval ³	Interim approval
March 27, 2002	2/1 – 2/28/02	\$412,304.00	\$18,475.64	Interim approval	Interim approval
May 2, 2002	3/1 – 3/31/02	\$430,342.50	\$51,759.20	Interim approval	Interim approval
June 10, 2002	January – March, 2002	\$1,281,702.50	\$102,514.38	\$1,281,702.50	\$101,656.38
June 10, 2002	4/1 – 4/30/02	\$410,702.50	\$25,286.05	Interim approval ⁴	Interim approval
July 2, 2002	5/1 – 5/31/02	\$335,280.50	\$25,556.83	Interim approval	Interim approval
August 8, 2002	6/1 – 6/30/02	\$243,127.00	\$16,326.36	Interim approval	Interim approval
September 3, 2002	April – June, 2002	\$989,110.00	\$67,169.24	\$981,666.50	\$67,169.24

² The fees and expenses requested in the April-June, 2001, July-September, 2001 and October-December, 2001, interim monthly Applications were approved on an interim basis pursuant to the order entered by this Court on November 29, 2002.

³ The fees and expenses requested in the January-March, 2002, interim monthly Applications were approved on an interim basis pursuant to the order entered by this Court on October 9, 2002.

⁴ The fees and expenses requested in the April-June, 2002, interim monthly Applications were approved on an interim basis pursuant to the order entered by this Court on November 29, 2002.

Date Filed	Period Covered	Requested Fees	Requested Expenses	Approved Fees	Approved Expenses
September 11, 2002	7/1 – 7/31/02	\$335,129.00	\$28,504.48	Interim approval ⁵	Interim approval
October 2, 2002	8/1 – 8/31/02	\$344,619.00	\$86,047.20	Interim approval	Interim approval
October 30, 2002	9/1 – 9/30/02	\$238,876.50	\$20,882.49	Interim approval	Interim approval
November 27, 2002	July – September, 2002	\$918,624.50	\$135,434.17	\$918,624.50	\$134,478.90
December 6, 2002	10/1 – 10/31/02	\$207,778.00	\$7,769.74	Interim approval ⁶	Interim approval
January 13, 2003	11/1 – 11/30/02	\$122,419.00	\$4,732.30	Interim approval	Interim approval
January 30, 2003	12/1 – 12/31/02	\$129,243.50	\$6,093.80	Interim approval	Interim approval
March 4, 2003	October – December, 2002	\$459,440.50	\$18,595.84	\$459,440.50	\$18,467.74
March 4, 2003	1/1 – 1/31/03	\$162,033.00	\$6,383.16	Interim approval ⁷	Interim approval
April 2, 2003	2/1 – 2/28/03	\$215,511.50	\$3,784.70	Interim approval	Interim approval
April 29, 2003	3/1 – 3/31/03	\$146,603.00	\$6,713.84	Interim approval	Interim approval
May 15, 2003	January – March, 2003	\$524,147.50	\$16,881.70	\$524,045.50	\$16,881.70
June 3, 2003	4/1 – 4/30/03	\$135,130.00	\$2,786.42	Interim approval ⁸	Interim approval
July 11, 2003	5/1 – 5/31/03	\$109,408.00	\$6,546.04	Interim approval	Interim approval
July 31, 2003	6/1 – 6/30/03	\$115,099.00	\$1,925.86	Interim approval	Interim approval
August 27, 2003	April – June, 2003	\$359,637.00	\$11,258.32	\$357,346.00	\$11,183.48
September 5, 2003	7/1 – 7/31/03	\$197,495.50	\$9,235.33	Interim approval ⁹	Interim approval
October 1, 2003	8/1 – 8/31/03	\$178,910.50	\$7,009.66	Interim approval	Interim approval
November 6, 2003	9/1 – 9/30/03	\$157,200.00	\$3,817.57	Interim approval	Interim approval
November 18, 2003	July – September, 2003	\$533,606.00	\$20,062.56	\$533,606.00	\$20,062.56
November 26, 2003	10/1 – 10/31/03	\$251,093.50	\$7,115.96	Interim approval ¹⁰	Interim approval
December 29, 2003	11/1 – 11/30/03	\$187,914.00	\$4,969.88	Interim approval	Interim approval
February 2, 2004	12/1 – 12/31/03	\$317,880.00	\$8,631.60	Interim approval	Interim approval
February 25, 2004	October – December, 2003	\$756,887.50	\$20,717.44	\$756,838.00	\$20,717.44
March 5, 2004	1/1 – 1/31/04	\$524,446.00	\$32,428.07	Interim approval ¹¹	Interim approval
April 2, 2004	2/1 – 2/29/04	\$274,589.50	\$10,852.51	Interim approval	Interim approval
May 3, 2004	3/1 – 3/31/04	\$337,945.00	\$13,159.10	Interim approval	Interim approval
May 17, 2004	January – March, 2004	\$1,136,980.50	\$56,439.68	\$1,134,755.00	\$56,439.68
June 1, 2004	4/1 – 4/30/04	\$280,547.50	\$10,895.93	Interim approval ¹²	Interim approval

⁵ The fees and expenses requested in the July-September, 2002, interim monthly Applications were approved on an interim basis pursuant to the order entered by this Court on March 14, 2003.

⁶ The fees and expenses requested in the October-December, 2002, interim monthly Applications were approved on an interim basis pursuant to the order entered by this Court on July 28, 2003.

⁷ The fees and expenses requested in the January-March, 2003, interim monthly Applications were approved on an interim basis pursuant to the order entered by this Court on September 22, 2003.

⁸ The fees and expenses requested in the April-June, 2003, interim monthly Applications were approved on an interim basis pursuant to the order entered by this Court on December 15, 2003.

⁹ The fees and expenses requested in the July-September, 2003, interim monthly Applications were approved on an interim basis pursuant to the order entered by this Court on April 26, 2004.

¹⁰ The fees and expenses requested in the October-December, 2003, interim monthly Applications were approved on an interim basis pursuant to the order entered by this Court on June 16, 2004.

¹¹ The fees and expenses requested in the January-March, 2004, interim monthly Applications were approved on an interim basis pursuant to the order entered by this Court on September 27, 2004.

¹² The fees and expenses requested in the April-June, 2004, interim monthly Applications were approved on an interim basis pursuant to the order entered by this Court on January 25, 2005.

Date Filed	Period Covered	Requested Fees	Requested Expenses	Approved Fees	Approved Expenses
July 1, 2004	5/1 – 5/31/04	\$213,906.00	\$9,502.49	Interim approval	Interim approval
September 2, 2004	6/1 – 6/30/04	\$430,246.50	\$15,235.72	Interim approval	Interim approval
October 6, 2004	April – June, 2004	\$924,700.00	\$35,634.14	\$918,960.50	\$35,557.55
September 17, 2004	7/1 – 7/31/04	\$599,563.50	\$27,869.76	Interim approval ¹³	Interim approval
October 7, 2004	8/1 – 8/31/04	\$793,285.00	\$45,729.42	Interim approval	Interim approval
November 3, 2004	9/1 – 9/30/04	\$913,771.00	\$32,811.19	Interim approval	Interim approval
November 17, 2004	July – September, 2004	\$2,306,619.50	\$106,410.37	\$2,298,879.00	\$105,176.56
December 7, 2004	10/1 – 10/31/04	\$842,268.50	\$38,703.13	Interim approval ¹⁴	Interim approval
January 7, 2004	11/1 – 11/30/04	\$581,027.00	\$35,469.12	Interim approval	Interim approval
February 1, 2005	12/1 – 12/31/04	\$863,104.50	\$38,461.17	Interim approval	Interim approval
February 14, 2005	October – December, 2004	\$2,286,400.00	\$112,633.42	\$2,279,008.50	\$110,200.64
March 18, 2005	1/1 – 1/31/05	\$1,214,802.50	\$65,721.17	Interim approval ¹⁵	Interim approval
April 15, 2005	2/1 – 2/28/05	\$717,562.00	\$46,304.21	Interim approval	Interim approval
May 19, 2005	3/1 – 3/31/05	\$916,504.00	\$50,822.73	Interim approval	Interim approval
June 15, 2005	January – March, 2005	\$2,848,868.50	\$162,848.11	\$2,833,566.00	\$162,482.21
June 7, 2005	4/1 – 4/30/05	\$862,337.00	\$32,392.41	Interim approval ¹⁶	Interim approval
June 29, 2005	5/1 – 5/31/05	\$852,424.50	\$52,685.55	Interim approval	Interim approval
August 5, 2005	6/1 – 6/30/05	\$1,181,036.00	\$58,504.79	Interim approval	Interim approval
August 8, 2005	April – June, 2005	\$2,895,797.50	\$143,582.75	\$2,894,660.00	\$143,530.87
September 9, 2005	7/1 – 7/31/05	\$1,740,148.50	\$155,036.60	Interim approval ¹⁷	Interim approval
September 28, 2005	8/1 – 8/31/05	\$1,451,595.50	\$95,151.93	Interim approval	Interim approval
October 28, 2005	9/1 – 9/30/05	\$1,471,412.50	\$128,814.69	Interim approval	Interim approval
October 28, 2005	July – September, 2005	\$4,663,156.50	\$379,003.22	\$4,655,239.50	\$378,588.48
November 28, 2005	10/1/05 - 10/31/05	\$1,602,349.50	\$111,318.89	Interim approval ¹⁸	Interim approval
December 28, 2005	11/1/05 - 11/30/05	\$1,743,406.00	\$182,798.39	Interim approval	Interim approval
January 25, 2006	12/1/05 - 12/31/05	\$1,638,659.50	\$161,888.24	Interim approval	Interim approval
February 14, 2006	October - December, 2005	\$4,984,415.00	\$456,005.52	\$4,978,349.00	\$453,367.08
February 28, 2006	1/1/06 - 1/31/06	\$1,667,688.00	\$176,100.89	Interim approval ¹⁹	Interim approval
March 28, 2006	2/1/06 - 2/28/06	\$1,669,067.50	\$395,113.02	Interim approval	Interim approval
April 28, 2006	3/1/06-3/31/06	\$1,615,330.00	\$685,462.58	Interim approval	Interim approval
May 15, 2006	January - March, 2006	\$4,952,085.50	\$1,256,676.49	\$4,942,401.50	\$1,256,429.49

¹³ The fees and expenses requested in the July-September, 2004, interim monthly Applications were approved on an interim basis pursuant to the order entered by this Court on March 22, 2005.

¹⁴ The fees and expenses requested in the October-December, 2004, interim monthly Applications were approved on an interim basis pursuant to the order entered by this Court on June 29, 2005.

¹⁵ The fees and expenses requested in the January-March, 2005, interim monthly Applications were approved on an interim basis pursuant to the order entered by this Court on September 26, 2005.

¹⁶ The fees and expenses requested in the April-June, 2005, interim monthly Applications were approved on an interim basis pursuant to the order entered by this Court on December 19, 2005.

¹⁷ The fees and expenses requested in the July-September, 2005, interim monthly Applications were approved on an interim basis pursuant to the order entered by this Court on March 24, 2006.

¹⁸ The fees and expenses requested in the October-December, 2005, interim monthly Applications were approved on an interim basis pursuant to the order entered by this Court on June 16, 2006.

¹⁹ The fees and expenses requested in the January-March, 2006, interim monthly Applications were approved on an interim basis pursuant to the order entered by this Court on September 25, 2006.

Date Filed	Period Covered	Requested Fees	Requested Expenses	Approved Fees	Approved Expenses
May 30, 2006	4/1/06 - 4/30/06	\$1,628,876.50	\$814,117.99	Interim approval ²⁰	Interim approval
June 28, 2006	5/1/06 - 5/31/06	\$1,800,762.00	\$311,657.73	Interim approval	Interim approval
July 28, 2006	6/1/06 - 6/30/06	\$1,666,537.00	\$207,374.07	Interim approval	Interim approval
August 14, 2006	April - June, 2006	\$5,096,175.75	\$1,333,149.79	\$5,096,175.50	\$1,331,919.73
August 28, 2006	7/1/06 - 7/31/06	\$2,026,266.00	\$155,509.57	Interim approval ²¹	Interim approval
September 28, 2006	8/1/06 - 8/31/06	\$2,458,300.00	\$377,534.56	Interim approval	Interim approval
October 30, 2006	9/1/06 - 9/30/06	\$1,508,315.00	\$454,899.58	Interim approval	Interim approval
November 14, 2006	July - September, 2006	\$5,992,881.00	\$987,943.71	\$5,984,268.75	\$986,255.71
November 28, 2006	10/1/06 - 10/31/06	\$1,732,139.00	\$698,068.49	Interim approval ²²	Interim approval
December 28, 2006	11/1/06 - 11/30/06	\$1,846,984.50	\$860,948.29	Interim approval	Interim approval
January 29, 2007	12/1/06 - 12/31/06	\$1,577,574.50	\$1,171,910.97	Interim approval	Interim approval
February 14, 2007	October - December, 2006	\$5,156,698.00	\$2,730,927.75	\$5,155,238.00	\$2,730,927.75
February 28, 2007	1/1/07 - 1/31/07	\$1,653,083.50	\$505,470.24	Interim approval ²³	Interim approval
March 28, 2007	2/1/07 - 2/28/07	\$1,855,844.00	\$793,394.48	Interim approval	Interim approval
April 30, 2007	3/1/07 - 3/31/07	\$2,043,431.50	\$614,588.91	Interim approval	Interim approval
May 15, 2007	January - March, 2007	\$5,552,359.00	\$1,913,453.63	\$5,547,606.50	\$1,913,453.63
May 29, 2007	4/1/07 - 4/30/07	\$1,617,793.00	\$1,471,980.14	Interim approval ²⁴	Interim approval
June 28, 2007	5/1/07 - 5/31/07	\$1,886,409.50	\$1,580,009.04	Interim approval	Interim approval
July 30, 2007	6/1/07 - 6/30/07	\$2,301,815.00	\$2,237,072.31	Interim approval	Interim approval
August 14, 2007	April - June, 2007	\$5,806,017.50	\$5,289,061.49	\$5,801,255.00	\$5,289,061.49
August 28, 2007	7/1/07 - 7/31/07	\$2,031,978.00	\$3,054,735.85	\$1,625,582.40	\$3,054,735.85
September 28, 2007	8/1/07 - 8/31/07	\$2,141,450.50	\$1,524,583.81	\$1,713,160.40	\$1,524,583.81
October 29, 2007	9/1/07 - 9/30/07	\$1,851,837.50	\$2,068,988.69	\$1,481,470.00	\$2,068,988.69
November 14, 2007	July - September, 2007	\$6,025,266.00	\$6,648,308.35	Pending	Pending
November 28, 2007	10/1/07 - 10/31/07	\$2,819,249.00	\$1,902,419.07	\$2,255,399.20	\$1,902,419.07
December 28, 2007	11/1/07 - 11/30/07	\$2,218,978.50	\$1,307,904.30	\$1,775,182.80	\$1,307,904.30
January 28, 2007	12/1/07 - 12/31/07	\$2,145,512.00	\$861,447.64	\$1,716,409.60	\$861,447.64
February 14, 2008	October - December, 2007	\$7,183,739.50	\$4,071,771.01	Pending	Pending
February 28, 2008	1/1/08 - 1/31/08	\$2,982,614.00	\$1,437,331.45	\$2,386,091.20	\$1,437,331.45

²⁰ The fees and expenses requested in the April-June, 2006, interim monthly Applications were approved on an interim basis pursuant to the order entered by this Court on December 18, 2006.

²¹ The fees and expenses requested in the July-September, 2006, interim monthly Applications were approved on an interim basis pursuant to the amended order entered by this Court on May 3, 2007.

²² The fees and expenses requested in the October-December, 2006, interim monthly Applications were approved on an interim basis pursuant to the amended order entered by this Court on June 20, 2007.

²³ The fees and expenses requested in the January-March, 2007, interim monthly Applications were approved on an interim basis pursuant to the amended order entered by this Court on September 24, 2007.

²⁴ The fees and expenses requested in the April-June, 2007, interim monthly Applications were approved on an interim basis pursuant to the amended order entered by this Court on December 13, 2007.

The K&E attorneys who rendered professional services in these cases during the Fee Period are:

Name of Professional Person	Position with the Applicant and Year Admitted		Department	Hourly Billing Rate	Total Billed Hours	Total Compensation
F. Wade Ackerman	Associate	2004	Litigation	\$435.00	4.70	\$2,044.50
Ellen T. Ahern	Partner	1992	Litigation	\$570.00	117.20	\$66,804.00
Janet S. Baer	Partner	1982	Restructuring	\$795.00	197.90	\$157,330.50
Amanda C. Basta	Associate	2002	Litigation	\$500.00	170.80	\$85,400.00
Salvatore F. Bianca	Associate	2003 (Grad. 2001)	Litigation	\$520.00	112.30	\$58,396.00
Samuel Blatnick	Associate	2003	Litigation	\$475.00	0.60	\$285.00
Deanna D. Boll	Partner	1998	Restructuring	\$625.00	103.90	\$64,937.50
Holly Bull	Of Counsel	1997	Restructuring	\$490.00	24.10	\$11,809.00
Michael Dierkes	Associate	2001	Litigation	\$520.00	1.00	\$520.00
John Donley	Partner	1985	Litigation	\$725.00	0.20	\$145.00
Laura M. Durity	Associate	2007	Litigation	\$295.00	31.90	\$9,410.50
Lisa G. Esayan	Partner	1991	Litigation	\$675.00	27.80	\$18,765.00
Peter A. Farrell	Associate	2006	Litigation	\$350.00	14.00	\$4,900.00
Theodore L. Freedman	Partner	1973	Restructuring	\$850.00	108.00	\$91,800.00
Barbara M. Harding	Partner	1988	Litigation	\$550.00	43.50 ²⁵	\$23,925.00
				\$585.00	83.90	\$49,081.50
Raina A. Jones	Associate	2006	Litigation	\$350.00	149.90	\$52,465.00
Alex L. Karan	Partner	2000	Litigation	\$540.00	36.70	\$19,818.00
Patrick J. King	Associate	2007	Litigation	\$295.00	147.20	\$43,424.00
Walter R. Lancaster	Partner	1987	Litigation	\$710.00	60.50	\$42,955.00
Christopher Landau, P.C.	Partner	1990	Litigation	\$835.00	53.90	\$45,006.50
Elli Leibenstein	Partner	1992	Litigation	\$635.00	81.00	\$51,435.00
Tyler D. Mace	Associate	2003	Litigation	\$475.00	93.40	\$44,365.00
Todd F. Maynes, P.C.	Partner	1988	Taxation	\$915.00	1.30	\$1,189.50
Scott A. McMillin	Partner	1996	Litigation	\$580.00	108.90	\$63,162.00
David E. Mendelson	Partner	1997	Litigation	\$560.00	68.10 ²⁵	\$38,136.00
Joy L. Monahan	Associate	1997	Restructuring	\$440.00	68.10	\$29,964.00
Matthew E. Nirider	Associate	2006	Litigation	\$350.00	9.10	\$3,185.00
Jeffrey Pawlitz	Associate	2007	Restructuring	\$335.00	0.80	\$268.00
Andrew R. Running	Partner	1982	Litigation	\$695.00	17.10	\$11,884.50
Lori Sinanyan	Partner	2000	Restructuring	\$605.00	31.10	\$18,815.50
Gregory L. Skidmore	Associate	2006	Litigation	\$395.00	31.30	\$12,363.50
Brian T. Stansbury	Associate	2002	Litigation	\$500.00	128.00	\$64,000.00
Henry A. Thompson, II	Associate	2006	Litigation	\$350.00	127.40	\$44,590.00

²⁵ 43.80 hours billed by Barbara M. Harding for the period December 1, 2007, through December 31, 2007, did not get posted in K&E's accounting system for inclusion with K&E's fee application filed for December 2007. As a result, this fee application contains 43.80 hours billed by Barbara M. Harding during the December 1, 2007, through December 31, 2007, fee period. Additionally, 21.20 hours billed by David E. Mendelson and 7.50 hours billed by Britton R. Giroux for the period January 1, 2008, through January 31, 2008, did not get posted in K&E's accounting system for inclusion with K&E's fee application filed for January 2008. As a result, this fee application contains 21.20 hours billed by David E. Mendelson and 7.50 hours billed by Britton R. Giroux for the period January 1, 2008, through January 31, 2008, fee period.

Name of Professional Person	Position with the Applicant and Year Admitted		Department	Hourly Billing Rate	Total Billed Hours	Total Compensation
Laurence A. Urgenson	Partner	1976	Litigation	\$835.00	13.90	\$11,606.50
Peter J. Wozniak	Associate	Pending	Litigation	\$295.00	14.00	\$4,130.00
Totals for Attorneys					2,283.50	\$1,248,316.50

The paraprofessionals of K&E who rendered professional services in these cases during the Fee Period are:

Name of Paraprofessional Person	Position with the Applicant and Number of Years as a Paraprofessional		Department	Hourly Billing Rate	Total Billed Hours	Total Compensation
April Albrecht	Technology Services	5 Years	Litigation	\$170.00	4.50	\$765.00
Deborah L. Bibbs	Legal Assistant	1 Year	Restructuring	\$195.00	121.30	\$23,653.50
Nina Boras	Project Assistant	1 Year	Litigation	\$145.00	25.50	\$3,697.50
Andrew Erskine	Project Assistant	8 Months	Litigation	\$155.00	174.10	\$26,985.50
Judith Everett	Legal Assistant	30 Years	Litigation	\$230.00	6.00	\$1,380.00
Timothy J. Fitzsimmons	Legal Assistant	1 Year	Litigation	\$230.00	145.50	\$33,465.00
Stephanie D. Frye	Conflicts Analyst II	3 Years	Administrative Services	\$195.00	10.80	\$2,106.00
Maria D. Gaytan	Case Assistant	6 Years	Litigation	\$140.00	33.60	\$4,704.00
Britton R. Giroux	Case Assistant	2 Years	Litigation	\$145.00	63.20 ²⁵	\$9,164.00
Timothy Greene	Project Assistant	7 Months	Litigation	\$145.00	177.90	\$25,795.50
David Helstowski	Project Assistant	1 Year	Restructuring	\$150.00	7.20	\$1,080.00
Claude W. Irmis	Legal Assistant	10 Years	Restructuring	\$255.00	10.10	\$2,575.50
Ayesha Johnson	Case Assistant	7 Months	Litigation	\$145.00	150.80	\$21,866.00
Travis J. Langenkamp	Legal Assistant	11 Years	Litigation	\$250.00	70.50	\$17,625.00
Kimberly K. Love	Legal Assistant	20 Years	Litigation	\$240.00	81.70	\$19,608.00
Emily Malloy	Project Assistant	1 Year	Litigation	\$145.00	8.00	\$1,160.00
Maureen McCarthy	Legal Assistant	5 Years	Restructuring	\$225.00	20.90	\$4,702.50
P. Ryan Messier	Case Assistant	5 Months	Litigation	\$145.00	137.80	\$19,981.00
Bianca Portillo	Project Assistant	1 Year	Project Assistant	\$150.00	74.30	\$11,145.00
Daniel T. Rooney	Legal Assistant	13 Years	Litigation	\$230.00	125.20	\$28,796.00
Michael A. Rosenberg	Legal Assistant	2 Years	Litigation	\$205.00	7.30	\$1,496.50
Andrew J. Ross	Case Assistant	9 Months	Litigation	\$145.00	168.70	\$24,461.50
Terrell D. Stansbury	Legal Assistant	3 Years	Litigation	\$195.00	55.30	\$10,783.50
Rafael M. Suarez	Technology Services	2 Years	Litigation	\$195.00	12.50	\$2,437.50
Michael West	Case Assistant	14 Years	Real Estate	\$155.00	39.50	\$6,122.50
Library Research	Research Specialist	N/A	Administrative Services	\$200.00	13.50	\$2,700.00
Total for Paraprofessionals					1,745.70	\$308,256.50

Grand Total for Fees: **\$1,556,573.00**
Blended Rate: **\$386.32**

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Compensation by Matter

Matter Number	Matter Description	Total Billed Hours	Total Fees Requested
19	Claims Analysis Objection and Resolution (Non-Asbestos)	12.20	\$7,341.00
20	Case Administration	218.60	\$51,336.00
21	Claims Analysis Objection and Resolution (Asbestos)	2,684.00	\$991,954.50
23	Business Operations	55.40	\$31,589.50
28	Litigation and Litigation Consulting	316.70	\$121,275.00
30	Hearings	74.40	\$34,953.00
32	Fee Applications, Applicant	77.20	\$36,159.50
35	Fee Applications Others	6.80	\$2,312.50
37	Plan and Disclosure Statement	18.80	\$15,842.50
38	Employment Applications, Others	4.10	\$2,017.50
42	Travel non-working	29.30	\$17,327.00
46	Tax Litigation	1.30	\$1,189.50
57	Montana Grand Jury Investigation	530.40	\$243,275.50
Totals for Matters		4,029.20	\$1,556,573.00

Expense Summary

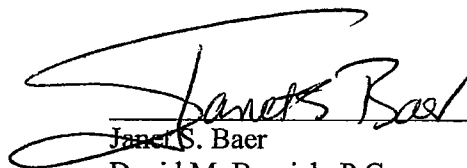
Service Description	Amount
Telephone	\$384.80
Standard Copies or Prints	\$5,455.55
Binding	\$22.40
Tabs/Indexes/Dividers	\$102.50
Color Copies or Prints	\$1,815.50
Bates Labels/Print & Affix	\$0.10
Scanned Images	\$872.70
CD-ROM Duplicates	\$189.00
CD-ROM Master	\$10.00
Postage	\$16.59
Overnight Delivery	\$1,705.17
Outside Messenger Services	\$772.28
Local Transportation	\$57.70
Travel Expense	\$2,957.96
Airfare	\$5,538.94
Transportation to/from airport	\$3,542.00
Travel Meals	\$1,099.68
Car Rental	\$109.81
Other Travel Expenses	\$414.88
Court Reporter Fee/Deposition	\$7,613.08
Filing Fees	\$617.00
Appearance Fees	\$190.00
Professional Fees	\$1,187,994.18
Investigators	\$392.20
Outside Computer Services	\$31,819.73
Outside Video Services	\$2,022.26
Outside Copy/Binding Services	\$38,248.89
Working Meals/K&E Only	\$42.45
Working Meals/K&E and Others	\$4,999.87
Information Broker Doc/Svcs	\$2,195.89
Library Document Procurement	\$858.10
Computer Database Research	\$11,589.40
Overtime Transportation	\$822.09
Overtime Meals	\$372.00
Overtime Meals - Attorney	\$519.67
Secretarial Overtime	\$5,224.48
Overtime Meals - Legal Assistant	\$345.61
Rental Expenses	\$2,643.76
Miscellaneous Office Expenses	\$76.87
Total	\$1,323,655.09

WHEREFORE, K&E respectfully requests (a) that an allowance be made to it, as fully described above for the (i) 80% of the amount of **\$1,556,573.00** for reasonable and necessary professional services K&E has rendered to the Debtors during the Fee Period (**\$1,245,258.40**) and (ii) 100% of the reimbursement of actual and necessary costs and expenses incurred by K&E during the Fee Period (**\$1,323,655.09**); (b) that both fees and expenses are payable as administrative expenses of the Debtors' estates; and (c) that this Court grant such further relief as is equitable and just.

Wilmington, Delaware
Dated: March 28, 2008

Respectfully submitted,

KIRKLAND & ELLIS LLP

A handwritten signature in dark ink, appearing to read "Janet S. Baer", is written over a horizontal line.

Janet S. Baer
David M. Bernick, P.C.
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Chicago, Illinois 60601
(312) 861-2000